

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
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**FISCAL IMPACT STATEMENT**

**LS 7756**

**BILL NUMBER:** HB 1785

**NOTE PREPARED:** Jan 21, 2003

**BILL AMENDED:**

**SUBJECT:** Reentry Court Program.

**FIRST AUTHOR:** Rep. Moses

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** X

**GENERAL  
DEDICATED  
FEDERAL**

**IMPACT:** State

**Summary of Legislation:** This bill permits certain drug offenders participating in the Allen County Reentry Court Program to receive food stamps or Temporary Assistance for Needy Families (TANF).

**Effective Date:** July 1, 2003.

**Explanation of State Expenditures:** Federal regulations provide that an individual convicted of a felony involving the possession, use, or distribution of a controlled substance is not eligible for benefits under the Food Stamp program or the TANF program. This bill provides that the state elects to opt out of this federal prohibition for individuals successfully participating in the Reentry Court Program in Allen County.

The Reentry Court Program was created to supervise and provide services for offenders who are being released from the Department of Correction. The Allen Superior Court estimates that 125 offenders are coming through the Reentry Court Program during a year. Of these, 60%, or 75 offenders, are estimated to be drug offenders. By exempting these individuals from the federal regulation described above, some of these individuals may be eligible for benefits under the Food Stamps program for 12 months and under the TANF program for 24 months.

The Food Stamps program is a federally funded program with the state responsible for eligibility determination. Additional individuals eligible for this program would have minimal impact on the state.

However, the TANF program is cost-shared with funding coming through a federal block grant and state General Fund appropriations. TANF assistance is available to families with children under the age of 18 that are deprived of financial support from a parent by reason of death, absence from the home, unemployment, or physical or mental incapacity. A family may not possess assets valued in excess of \$1,000 at the time application for assistance is made, and countable income may not be greater than \$229 per month for a family of one adult and one child (the income requirement would vary by family size). Assuming the individual would otherwise qualify for TANF, the assistance grant for an adult could range from \$58 to \$90 per month.

In addition, the individual is assumed to be eligible for employment and training services provided to families receiving cash assistance.

This provision should have no impact on the Medicaid program.

[Note: This note assumes that opting out for a specific county, rather than for the entire state, is permissible under federal law.]

**Explanation of State Revenues:** See *Explanation of State Expenditures* regarding expenditures in the Medicaid program.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Family and Social Services Administration.

**Local Agencies Affected:** Allen Superior Court.

**Information Sources:** Judge John Surbeck, Allen Superior Court; Melanie Bella, OMPP, (317) 233-4455.

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